



ANNUAL REPORT 1963 THE BORDEN COMPANY
OUR 107th YEAR



MESSAGE TO STOCKHOLDERS AND EMPLOYEES

Our 107th year saw the accelerated development of the Company as a diversified food and chemical business. Manufactured food sales increased to about one-fourth of total Company sales, while the chemical business advanced to about as much of total Company sales as ice cream — some 12%.

Our milk and ice cream operations continued to grow, although due to their traditional characteristics, the growth was not dramatic, but steady. We are continuing the aggressive development of these operations, which are the principal source of Company sales and income. Their growth has been obscured by the more rapid expansion of other product areas, as demonstrated by the exceptional vitality of chemicals and specialty foods.

The year 1963 was another good year for the Company. Earnings reached another all-time high, the eighth in a row, and the improvement was reflected in dividends, which were increased twice. Sales were also at record levels.

Our unconsolidated foreign subsidiaries increased their dividends, although their improvement in performance did not match that of domestic operations. Sales, in terms of U. S. dollars, increased slightly. Dollar profits declined — a reflection of unsettled conditions in some of the countries in which we operate, currency problems, and tighter competitive conditions. We believe the long term trend of these operations is favorable.

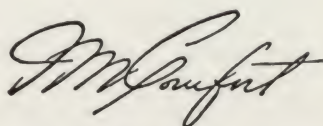
As the Company continues to expand and diversify, its prospects become more closely tied to the movement of the economy as a whole. The increase in Gross National Product foreseen by most economists is therefore more important to us now than it would have been only a few years ago. The generally predicted tax cut is expected to spur the economy, and to encourage further capital investment in an increasing economy.

We share the confidence of the business community generally that 1964 will be a year of greater prosperity for the nation. We expect, too, that it will be a year of further growth for the Company. To provide for that growth we shall obtain a record \$51,700,000 worth of new plant and equipment. In excess of one quarter of this amount will go toward expansion of our chemical facilities.

Again in 1964, we shall give increased emphasis to research and development in products and packaging. During 1963, research provided us with a record number of new or improved products; we

plan to surpass that record in 1964. While our research efforts are directed toward developing products that we expect will be well accepted by the public, there can be no assurance of their ultimate success until they are tried in the market place. Some of these new products will falter and some will fail. We expect this. While no failure is ever welcome, it is an inevitable risk of progress. Tight supervision of our research program, and its close coordination with our marketing activities, have enabled us, as far as available data indicate, to keep our rate of new-product mortality below that experienced by new products generally.

The success the Company enjoyed in 1963 could not have been possible without the loyalty of the men and women of the Borden organization, the deep interest of our Board of Directors, and the support and confidence of our stockholders. We are grateful for this help, and are hopeful for its continuance throughout 1964.



President



Chairman, Board of Directors



February 24, 1964

THE BORDEN COMPANY

ANNUAL REPORT 1963

HIGHLIGHTS

1963

1962

Net sales	\$1,118,875,262	\$1,047,902,188
Net earnings	\$ 35,093,253	\$ 32,354,515
per share	\$3.24	\$3.05
Cash dividends	\$ 19,107,218	\$ 17,998,136
per share	\$1.77½	\$1.70
Working capital	\$ 172,632,343	\$ 165,068,538
Ratio of current assets to current liabilities	2.81:1	2.97:1

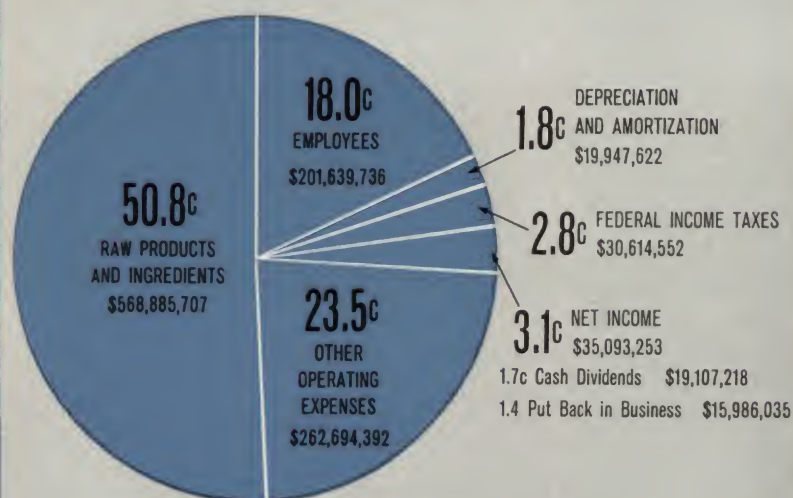
FIRST QUARTER: New fluid milk processing plant of Borden's Puerto Rico Dairy, Inc., near San Juan, dedicated ● Aunt Jane's Foods, Inc., Dearborn, Mich., leading packer of fresh and processed pickles, acquired ● Mystik Adhesive Products, Inc., Chicago, Ill., joins The Borden Chemical Company as Mystik Tape, Inc., Division. **SECOND QUARTER:** Quarterly dividend payment increased from 40¢ to 45¢ a share on June 1 ● New formaldehyde plant placed in operation at Illiopolis, Ill. ● Soy processing operations discontinued. **THIRD QUARTER:** First powdered urea-formaldehyde resins to be made

in the Philippines produced by new Borden facilities ● Largest ice cream volume for any month in Company's history recorded during July ● First national consumer advertising of *Marcelle* cosmetics launched. **FOURTH QUARTER:** Quarterly dividend increased again, from 45¢ to 47½¢ a share, on Dec. 2 ● Old London Foods, Inc., New York City, and subsidiaries, leading manufacturer of snack foods, acquired ● New Home Office and Toronto Division plant dedicated by The Borden Company, Limited ● Borden Foods Company announces 16 new products for introduction by year end.

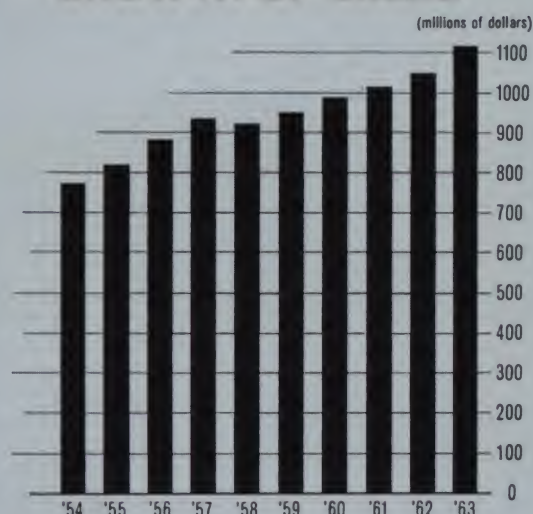
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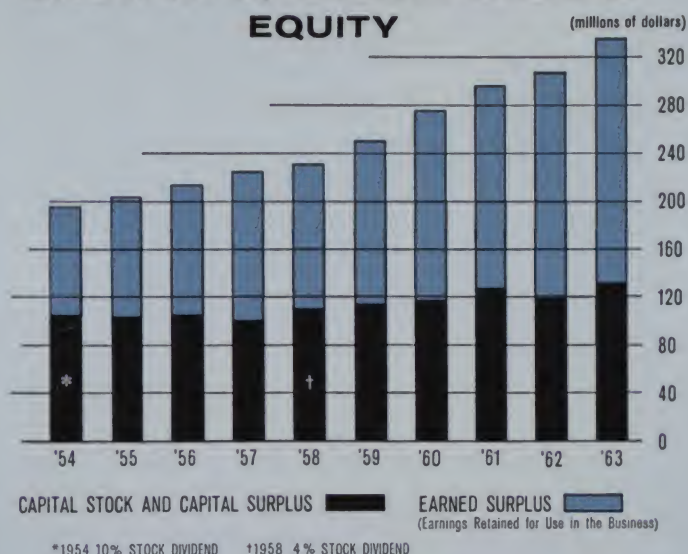
THE SALES DOLLAR *how it was used*



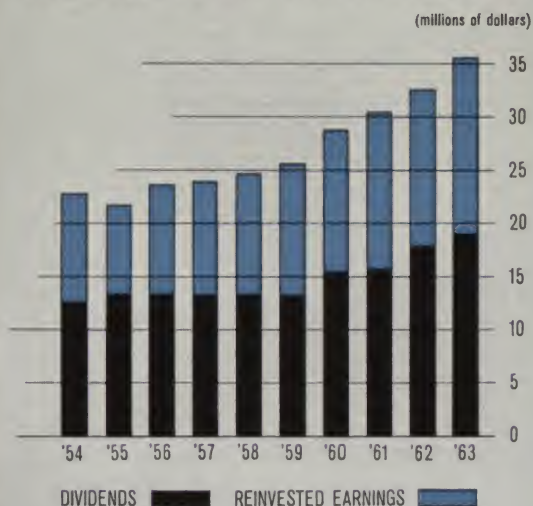
GROWTH OF SALES



GROWTH OF STOCKHOLDERS' EQUITY



GROWTH OF NET INCOME



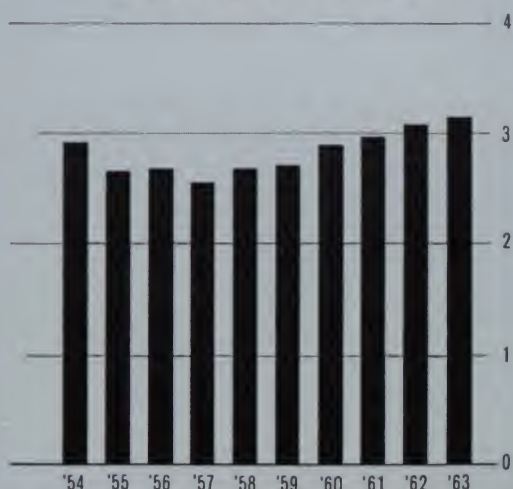
CHANGES IN WORKING CAPITAL, 1963

(thousands of dollars)

Working Capital, Dec. 31, 1962		\$165,068
Additions:	Net income	\$35,093
	Depreciation provisions	18,255
		53,348
Deductions:	Dividends	19,107
	Plant and equipment	24,628
	Other (net)	2,049
		45,784
Increase in working capital		7,564
represented by:	Increased receivables	\$10,961
	Increased inventories	8,723
	Decreased cash & securities	— 465
	Increased current liabilities	— 11,655
Working Capital, Dec. 31, 1963		\$172,632

RATE OF PROFIT PER SALES DOLLAR

CENTS



THE BORDEN COMPANY

RECORD SALES AND PROFITS

Net sales and profits were at all-time highs in 1963. Sales reached a record level for the fifth straight year, rising 6.8% to \$1,118,875,262 from \$1,047,902,188 in 1962.

For the eighth consecutive year, net income was at a new high. It was \$35,093,253, which was 8.5% above the \$32,354,515 earned in 1962. Per share earnings were \$3.24, up 6.2% from \$3.05 the year before.

The rate of profit per dollar of sales was 3.14 cents; it was 3.09 cents in 1962. The ten-year return on sales averaged 2.85 cents per dollar.

DIVIDEND INCREASED

The quarterly dividend payment was increased twice during the year: from 40 cents to 45 cents a share on June 1, and from 45 cents to 47½ cents a share on Dec. 2. These increases brought the total dividends distributed in 1963 to \$1.77½ per share, compared with \$1.70 per share paid in 1962.

The Company has paid dividends in each year since its incorporation in 1899. The payment on Dec. 2 was our 215th consecutive dividend.

WORKING CAPITAL RISES

On Dec. 31, current assets were \$267,961,154 and current liabilities, \$95,328,811 (a ratio of 2.81 to 1), for a balance of \$172,632,343

as working capital. This was an increase of \$7,563,805 from a year earlier, when working capital stood at \$165,068,538.

VOLUME ABROAD IMPROVES

Aided by further expansion of facilities and markets, our unconsolidated foreign subsidiaries experienced a continued improvement in tonnage and sales. Increased competition, however, brought narrower profit margins, which, combined with a shrinkage in the exchange values of several local currencies, resulted in a decline in earnings when converted to U. S. dollar equivalent.

Net sales of these subsidiaries, located in 14 countries, reached an all-time high of \$92,435,479, compared with \$89,368,948 in 1962. The Company's equity in their net income was \$4,692,010, which includes a charge of \$462,237 resulting from the translation of net current assets to their U. S. dollar equivalent at rates of exchange prevailing at year end. In 1962, our equity in the net income of these subsidiaries was \$5,810,098. (See combined balance sheets and income statements on page 17.)

After applicable U.S. income taxes, dividends paid to the Company and included in net income amounted to \$2,475,877, compared with \$2,766,225 in 1962. At year end, our equity in their net assets exceeded our investment by \$29,472,156.

The Borden Chemical Company (Philippines), Inc., began production during

1963 of the first powdered urea-formaldehyde resins to be made in the Philippines. It also placed a new formaldehyde plant in operation. In Mexico, the amino molding compounds plant of Materiales Moldables S.A. de C.V. went on stream, and the formaldehyde capacity of Industrias Quimicas Formex S.A. was doubled. We acquired full ownership of our Australian subsidiary, which now operates as the Borden Chemical Company (Australia) Pty. Ltd. Facilities for producing phenolic molding compounds were added by our Colombian subsidiary.

Borden's Puerto Rico Dairy, Inc., dedicated its fluid milk processing plant, near San Juan, in March. In the Bahamas, Nassau Dairy Products Company was formed on a joint interest basis to distribute milk and ice cream in Nassau and adjacent islands.

Several new building projects are to be undertaken for expansion of our foreign operations in 1964. Leicester, Lovell & Co. Ltd., our British subsidiary, will enlarge its facilities at Southampton, England, for the manufacture of vinyl acetate emulsions. At Mallow, Ireland, our plant for packaging whole milk powder will be enlarged, and in Venezuela, the production of whole milk powder will be expanded.

GROWTH PROGRAM ACCELERATES

Our \$170,000,000, five-year modernization and expansion program accelerated during its second year, spurred by the needs of a growing and increasingly diversified business. During 1963 we secured about \$35,200,000 worth of new plant and equipment. Of this amount, about \$18,300,000 was provided by depreciation accruals, and \$6,300,000 came from retained earnings. Approximately \$10,600,000 worth of equipment was acquired by lease.

In 1964 we plan to obtain a record \$51,700,000 worth of new buildings and equipment. Depreciation accruals will furnish about \$19,400,000 of this amount, and retained earnings approximately \$9,500,000. About \$22,800,000 worth of new equipment will be leased. In addition, during 1964 we shall acquire by lease equipment worth approximately \$5,700,000 for use by Monochem, Inc., a basic chemical converter in which we have a substantial interest. This equipment will be part of an expansion program for converting acetylene and vinyl chloride monomer at Geismar, La. In 1965, we plan to obtain by lease about \$4,200,000 worth of equipment to complete the expansion.

At New Brunswick, N. J. (immediate right), biscuit dough is conveyed from honeycomb cutter to a Borden-designed automatic packer. Vacuum-operated machine, which replaced hand labor, packs 250 10-biscuit containers per minute.

At Van Wert, O. (second right), 3-lb. cakes of Liederkranz cheese are automatically washed and brushed on all surfaces to remove salt used in the curing process. The operation was previously done by hand.



Construction activity during 1963 reflected both growing volume and further improvement in efficiency.

Borden's Milk and Ice Cream Company completed a milk processing plant at Detroit, Mich., an ice cream distribution branch at Anniston, Ala., and milk and ice cream distribution facilities at Gaylord, Mich. Renovated and enlarged were a milk processing plant at Indianapolis, Ind., a milk processing and ice cream manufacturing plant at Kansas City, Mo., and an ice cream processing plant at Augusta, Ga.

Under way at year end was construction of the largest milk processing plant in the United States, with a capacity of 2,000,000 pounds of milk a day. Being built at Woodstock, Ill., it will supply three milk distribution branches, to be constructed during 1964, that will serve the Chicago Metropolitan Area. Also under construction was the largest milk processing plant in Connecticut, at Stratford. A new milk processing plant will be erected at Lafayette, La., in 1964.

The Borden Chemical Company carried out a busy growth program on a wide front during 1963, and at year end had undertaken or was scheduling further expansion. At Illiopolis, Ill., a polyvinyl chloride plant with a capacity of more than

12,000,000 pounds annually went into operation. A new formaldehyde plant was built at Demopolis, Ala., and facilities for the production of phenolic and urea-formaldehyde resins were installed. A new ink plant, completed at Fremont, Calif., went into production early in 1964.

Operations of The Borden Chemical Company were strengthened and diversified with the acquisition of Mystik Adhesive Products, Inc., of Chicago, Ill., a manufacturer of self-adhesive decorative and protective materials for home and industry; and Arabol Mfg. Co., of New York, N. Y., a producer of liquid and dry adhesives for industry.

Major projects scheduled by Borden Chemical for 1964 include the following:

Expansion of polyvinyl chloride and butadiene styrene facilities at Illiopolis; two new formaldehyde plants—at Springfield, Ore., and Sheboygan, Wisc.; enlargement of polyvinyl chloride resin facilities at Leominster, Mass.; a doubling of operations of the Mystik Tape plant at Northfield, Ill.; increased *Resinite* vinyl extrusion facilities at North Andover, Mass., and construction of additional methanol and vinyl acetate monomer facilities at Geismar in conjunction with the expanded facilities to be used by Monochem.

5



In handling hygienically sealed envelopes, manual dexterity still outperforms automation in Chicago plant of Wyler & Co. (second left.) These young ladies are packing display cases with lemonade mix.

Neufchatel cheese gets its temperature taken at Van Wert, O. (immediate left), to insure proper consistency before it is pumped to filling machines. Process is continuous, cheese entering vat at center pipe.



Gov. Richard J. Hughes of New Jersey (left) presents a silver Pasteur Award to Marvin Schminke, one of four Borden employees honored nationally by the Milk Industry Foundation for outstanding heroism. Mr. Schminke also received a silver medal in 1956.

What more pleasant way to end a pleasant meal than a dessert of fruit and Borden cheeses? Simple, delicious, nutritious — and attractive.



The Borden Foods Company in 1963 completed additional can manufacturing facilities at its Lewisburg, Tenn., evaporated milk plant, and enlarged a plant at Randolph, N. Y., where can-making and can-testing machinery is manufactured. Potato storage facilities at Grafton, N. D., were substantially enlarged. The evaporated milk plant at Albany, Ore., was closed, and operations were transferred to Modesto, Calif.

Two specialty food firms were acquired during the year and their operations placed under general supervision of the Borden Foods Company. Aunt Jane's Foods, Inc., of Dearborn, Mich., a leading packer of fresh and processed pickles, was acquired in March. Acquisition of Old London Foods, Inc., of New York, N. Y., and its subsidiaries took place in November. Old London is a principal manufacturer of snack foods.

The Cracker Jack Co., of Chicago, the manufacturer of the well-known confection *Cracker Jack* and of marshmallows under the *Campfire* and other brands, was acquired in January, 1964.

A busy construction and expansion program has been scheduled for 1964 by the Borden Foods Company and those operations under its supervision. Facilities for the manufacture of processed cheese at Plymouth, Wisc., will be enlarged. A can-manufacturing plant will be built at Lyons, N. Y., principally to serve the Comstock Foods Division, and Comstock will install apple-concentrating facilities at Egypt, N. Y. The F. H. Snow Canning Co. will enlarge its operation at Pine Point, Me. Equipment to handle the packaging of a new powdered milk product will be installed at Arcade, N. Y.

The Borden Special Products Company began expansion of production facilities at two locations. At its Hampshire, Ill., animal feeds supplements plant, new construction providing additional storage space was completed. The building will also house equipment, to be installed early in 1964, for the production of Mirra-Coat, a new pet food supplement. At Elgin, Ill., new facilities will be installed to manufacture ready-to-use infant formula products for hospitals.

Soy bean processing operations were discontinued, and the plants at Kankakee, Ill., and Waterloo, Ia., subsequently disposed of. These operations, while contributing approximately \$12,300,000 to total sales in 1962, had become unprofitable.

PRODUCT LINE DIVERSIFIES

Our product line was further broadened and strengthened during the year with the addition of 179 new or improved products, 101 of them the result of stepped-up research and development activities. The growing importance of research and development was recognized in two ways: by record expenditures for this purpose in 1963 and a substantial increase in the budget for 1964; and by the elevation of the Coordinator of Product Research from an Assistant Vice President to a Vice President of the Company. Market research was given a larger share in the over-all program, prompted by the introduction of ten new food products in 16 test markets.

The following were among the new or improved products developed within the Company during the year and introduced nationally, regionally, in limited areas, or in test markets:

Borden's Milk and Ice Cream Company: canned egg nog, low-calorie refrigerated egg nog, apple cider, whipped cream cottage cheese, orange juice drink, "hot pack" sour cream, several ice cream "novelties" (sandwiches, etc.), and a variety of seasonal and special ice cream flavors.

The Borden Chemical Company: *Resinite* industrial pressure hose, *Resinite* low-temperature garden hose, *Mystik* tub caulk in an aerosol can, a 16-oz. *Elmer's* Slide-All spray lubricant, decorative plastic coatings in three colors for tennis courts, terraces, and driveways; an adhesive for bonding polyurethane foam to fabric; an acrylic emulsion for paints, adhesives, and paper and fiberboard coatings; an electrical sleeving insulation, and two styrene-butadiene paint latices.

Borden Special Products Company: *Mirra-Coat*, a nutritional food supplement to aid a glossy coat on household pets; from *Marcelle* — Chapped Skin Creme, Complexion Oil, Night Creme, Formula 24, Facial Cleanser, and Skin Toner; from *Tykor*, for dairy food plant use — Sano Lube, a machine lubricant; an emulsion-type coating for sealing cinder block and brick, and an epoxy floor and grout sealer.

Drake Bakeries Division: Funny Bones, a devil's food cake filled with peanut-butter-flavored creme and enrobed in chocolate, and lemon Swiss Rolls.

Borden Foods Company: *Eagle Brand* Neufchatel cheese, Dutch chocolate liquid drink in 9½ oz. and 1-qt. cans, four varieties of instant omelet mixes (cheese, Western, mushroom, and ham), refrigerated, ready-to-bake Big 10 Flaky Biscuits and Butterhorn Flaky Rolls; an improved ready-to-bake coffee ring, Kava half-cafein instant coffee, an instant dry whole milk product, New Danish Margarine, instant sweet potatoes, *Cremora*, a non-dairy powder for coffee; two *None Such* ready-to-use pie fillings — nutmeg cherry currant and cinnamon apple raisin; three

Wives of United Nations delegates from Ceylon, India, and Japan were among visitors to the Borden Test Kitchens in 1963. The ladies, with their American guide, were guests for an "All-American" luncheon using Borden products, one of which — instant potatoes — is demonstrated by a Borden home economist.



Jean J. Charest
(center), President of The
Borden Company, Limited,
acts as guide for
Stan Randall (left),
Member of Parliament
for Ontario, and
J. N. Allan, Provincial
Treasurer, on dedication-
day tour of new
Canadian Home Office
and Toronto Division plant.



None Such frozen, ready-to-bake pies; 24- and 32-slice packages of pasteurized process American cheese; a 32-slice package of Pimento cheese, and three additional flavors of gelatin salad-desserts in a new plastic mold. Packaging improvements included a new aluminum dish with pull-tab opening for the line of Cheese Spreads, a new package design for Starlac nonfat dry milk, and the replacement of lithographed cans with glass jars as containers for three malted milk products.

Brandywine Mushroom Company: breaded frozen mushrooms for institutional use, a gourmet line of mushroom products: a snack item and four cocktail varieties; chicken livers and mushrooms in gravy, and mushroom steak sauce.

Comstock Foods Division: French style green beans with mushrooms, rice pudding, Creole style macaroni, Spanish rice dinner, raisin pie filling, and French apple pie filling.

Greenwood Foods Division: sliced pickled beets with onion.

F. H. Snow Canning Co.: sea food chowder.

Wyler & Co.: bean soup mix, vegetable soup mix, pineapple grapefruit drink mix, and iced tea mix.

CHANGES IN BOARD AND MANAGEMENT

Cecil I. Crouse, General Attorney of the Company and a Vice President since 1953, was elected to the Board of Directors at the Annual Meeting on Apr. 17.

Robcliff V. Jones, a former Vice President, retired as a Director at the expiration of his term on Apr. 17, after 35 years on

the Board. His retirement was in accordance with a policy which limits the age of a nominee for Director to 72 years.

Walker G. Buckner, partner in the investment firm of Buckner & Co., New York, N. Y., was elected a Director on Jan. 28, 1964. He filled the vacancy resulting from the death of Albert C. Simmonds, Jr., on June 23. Mr. Simmonds, who was Chairman of The Bank of New York, had been a Director since 1956.

On Dec. 30, Thomas W. Biggs was elected a Vice President. With Borden's for 35 years and previously an Assistant Vice President, he continues as Coordinator of Product Research and Assistant to the President.

E. Clark Davis, the Assistant General Attorney since 1961, was appointed an Assistant Vice President as of Jan. 1, 1964.

Miss Frances I. Reilly, who in 18 years with the Company had served in the offices of the Secretary and the Chairman of the Board, was elected an Assistant Secretary on Dec. 30.

CANADIAN BUSINESS IMPROVES

Business of The Borden Company, Limited, resumed normal levels during the year after a downturn in 1962. Tonnage, dollar sales, and profits increased. The improvement resulted from greater efficiency made possible by new plant facilities and the installation of modernized equipment at several locations, and from higher profit margins in several product lines.

Several new products were introduced by The Borden Company, Ltd.: canned

egg nog and hickory smoked natural Cheddar cheese (both products the first of their kind in Canada), instant Dutch chocolate mix, and malted milk for home use. New packaging designed for the Canadian market was provided for Chateau Cheese, *Eagle Brand* sweetened condensed milk, and single-serving instant hot chocolate.

Borden's new Canadian Home Office and Toronto Division milk and ice cream plant was dedicated at ceremonies attended by Ontario Government officials. During 1964, construction will get underway on a new fluid milk plant at Montreal, Que.

Insufficient milk supplies, particularly during winter, forced the closing of the Truro, N. S., evaporated milk plant after 51 years of operation. The market formerly served from Truro is now being supplied from Ingersoll, Ont.

The Borden Chemical Company (Canada) Ltd. doubled the size of its Argus Printing Ink Division operations at West Hill, Ont., at the same time adding facilities for research and development work in resins, inks, and roofing materials. Also at West Hill, construction began on a plant to produce *Resinite* polyvinyl chloride packaging film. Completion is scheduled for early spring of 1964.

COMPANY OWNERSHIP

There were 10,881,500 shares of capital stock outstanding on Dec. 31, compared with 10,567,500 shares outstanding on the same date a year earlier. At year end, the number of shareholders of record stood at 48,566; on Dec. 31, 1962, it was 48,919.

The average stockholding was 224 shares, against 216 shares in 1962. No individual stockholder of record held as much as 1% of the outstanding stock.

During the year we reissued 405,266 shares of stock for the acquisition of businesses, and issued 139,433 shares for purchases under the employees' stock option plans. We bought 230,699 shares of our



stock, accounting for the net increase of 314,000 shares in stock outstanding.

DEVELOPMENTS IN LITIGATION

There were several significant developments in litigation.

A Federal District Court in Sherman, Tex., dismissed a private civil anti-trust suit charging Borden's with discriminatory pricing in the sale of dairy products to certain schools in Texas.

A private civil anti-trust suit, in which the plaintiffs charged Borden's and other milk dealers with conspiracy to curtail their dairy products business in the San Francisco, Calif., area, was settled and dismissed.

A Federal District Court in Chicago, Ill., enjoined the Company from discriminatory pricing in the sale of fluid milk to competing store customers in the Chicago area.

The Company has appealed to the United States Circuit Court of Appeals for the Fifth Circuit from an adverse order of the Federal Trade Commission in the case involving alleged price discrimination in the sale of Borden brand and private label evaporated milk.

There were two new private civil anti-trust cases. These, together with anti-trust matters pending from prior years which

Diane Castellanos, three feet tall, adjusts a daisy petal on an Elsie the Cow mannequin (12 feet tall, seated). The figure, suspended from a 28-foot balloon, floated down Broadway in Macy's Thanksgiving Day parade (above). The parade, which saluted the New York World's Fair, was seen by an estimated 60,000,000 people in person and on television.

have been referred to in previous Annual Reports, and the normal litigation arising from the Company's day-to-day operations, are being vigorously defended.

EMPLOYEE BENEFITS IMPROVED

Two amendments to the Employees Retirement Income Plan for U.S. employees were approved by the Board of Directors and became effective Oct. 1. The amount of monthly retirement income from the non-contributory portion of the plan was increased to \$2.50 for each year of service, and provision was made to permit retirement for total and permanent disability prior to age 55. The full cost of the improved benefits is being borne by the Company.

Payments to beneficiaries under our Employee Benefit Programs increased 13% in the plan year ended March 31, 1963, to a record \$6,594,786. The programs, to which the Company contributes, provide sickness and accident, hospital-surgical-major medical, and life insurance, and retirement income.

In keeping with Company policy, our benefit programs are extended to employees of acquired companies unless they are covered by similar plans to which we contribute under union contracts. Benefits accrued under prior plans of the acquired companies are integrated into our programs.

Induction of 430 new members brought the roll of Borden's Quarter Century Club to approximately 7,300 active and retired employees. At ceremonies held locally throughout the United States and Canada, one employee was honored for 50 years' active service with the Company, and 150 employees for 40 years' service.

SAFETY PERFORMANCE VARIES

Our safety performance in 1963 was both encouraging and disappointing. The frequency rates of severe employee injuries and costly vehicle accidents declined, despite a slight increase in the frequency rates of all accidents. There were some

outstanding examples of good safety performance. Our Amarillo, Corpus Christi, and Lubbock, Tex., milk and ice cream operations each completed one million miles of accident-free driving.

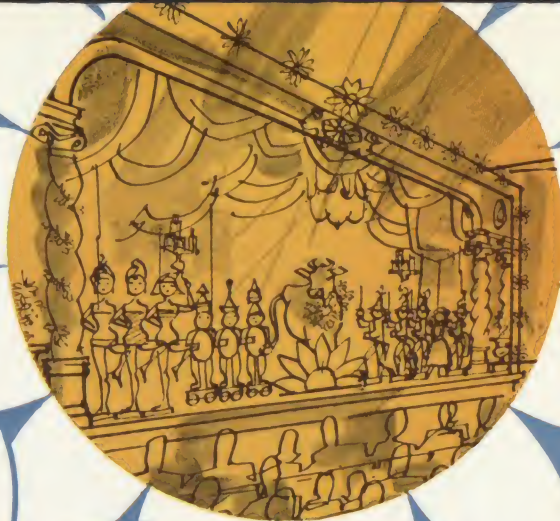
A new program for better safety performance has been initiated to strengthen safety policy and provide a vigorous follow-up to obtain continuous and strict compliance. In addition, the activities of executive and plant safety committees will be broadened, the responsibilities of divisional and regional safety coordinators enlarged, and communications in all areas of safety expanded. This program should provide humanitarian benefits as well as improved safety performance and more effective accident cost control in the years ahead.

ADVERTISING ACTIVITIES INCREASE

Advertising activities of the Company were expanded during 1963 to accommodate new products and new markets and to support new merchandising themes for established products. A preponderance of the advertising was conducted by Divisions in behalf of individual products or selected product groups. The media chosen were those that best supported merchandising objectives of selected products; consequently, all major media were used, but primarily national magazines and local newspapers, radio, and television.

Consumer products having unusual growth potential were again supported by the President's Advertising Campaign for Expansion (PACE), which in 1963 was concentrated exclusively in network television. PACE provided participation in eight daytime shows over the NBC television network, in behalf of 23 products of three Divisions. The eight shows have been renewed for the first quarter of 1964.

For the fourth successive year, the live Elsie the Cow appeared from May through October at Freedomland, an entertainment center in New York City.



Borden's at the World's Fair

Borden's exhibit at the New York World's Fair occupies about 10,000 square feet in the Better Living Center, largest building in the industrial area of the Fair, located at Avenue of Progress and Rodman Walk. To reach our exhibit, take escalators from the lobby directly to the third floor. During your visit, you'll see the following Borden presentations:

"All About Elsie," a musical revue featuring a live Elsie the Cow assisted by electronically controlled animated characters. The revue, written and produced by leading Broadway talent, will be shown continuously, three times hourly, seven days a week, 10 a.m. to 10 p.m.

The Elsie'sphere, which depicts the expanding universe of Borden products.

Elmer's Ark, captained by Elmer the Bull, featuring the Company's many non-food products.

A Demonstration Dell, where trained personnel will show Borden products in use.

Elsie's Fair: animated mechanical figures perform tricks and illusions with Borden products.

THE BORDEN COMPANY and Consolidated Subsidiaries

CONSOLIDATED BALANCE SHEET

December 31

ASSETS

1963

1962

CURRENT ASSETS

Cash	\$ 34,383,665	\$ 33,659,585
U. S. Government and other marketable securities . . . (At cost, not in excess of market value)	44,318,586	45,507,792
Receivables (Less allowances for doubtful accounts)	87,161,348	76,200,562
Inventories		
Finished goods	68,869,760	62,407,204
Materials and supplies	<u>33,227,795</u>	<u>30,966,770</u>
TOTAL CURRENT ASSETS	267,961,154	248,741,913

INVESTMENTS AND OTHER ASSETS

Unconsolidated foreign subsidiaries	1,723,147	1,723,147
Securities on deposit (Pursuant to Workmen's Compensation Laws, etc.)	1,669,275	1,767,585
Mortgages, receivables, etc. (Less allowances for doubtful accounts)	13,691,285	11,989,643
TOTAL INVESTMENTS AND OTHER ASSETS	17,083,707	15,480,375

PROPERTY AND EQUIPMENT (at cost)

Land	17,488,995	16,600,274
Buildings	129,760,415	121,070,384
Machinery, equipment, etc.	<u>235,195,847</u>	<u>229,613,789</u>
TOTAL PROPERTY AND EQUIPMENT	382,445,257	367,284,447
Less accumulated provision for depreciation	<u>162,986,565</u>	<u>158,626,964</u>
NET PROPERTY AND EQUIPMENT	219,458,692	208,657,483

DEFERRED CHARGES 8,221,749 8,446,798

INTANGIBLES 39,081,703 21,335,455

TOTAL **\$551,807,005** **\$502,662,024**

See pages 15 and 16 for notes to financial statements.

December 31

LIABILITIES

1963

1962

CURRENT LIABILITIES

Accounts payable and accrued liabilities	\$ 71,419,353	\$ 65,156,536
Accrued taxes	23,909,458	18,516,839
TOTAL CURRENT LIABILITIES	95,328,811	83,673,375

LONG-TERM DEBT

2⅞ % Debentures due 1981	41,750,000	43,750,000
4⅜ % Debentures due 1991	50,000,000	50,000,000
3½ % Note due 1973	1,000,000	1,050,000
TOTAL LONG-TERM DEBT	92,750,000	94,800,000

RESERVES

Deferred federal taxes on income	19,853,086	10,710,996
Insurance, etc.	7,006,364	7,557,158
TOTAL RESERVES	26,859,450	18,268,154

STOCKHOLDERS' EQUITY

Capital stock — par value \$7.50 per share
Authorized 16,000,000 shares

	1963	1962		
Issued	11,206,625 shares	11,067,192 shares		
Less treasury stock	325,125 shares	499,692 shares		
Outstanding	10,881,500 shares	10,567,500 shares	81,611,250	79,256,250

Capital surplus	51,436,092	38,828,878
Earned surplus	203,821,402	187,835,367
(Earnings retained for use in the business)		
TOTAL STOCKHOLDERS' EQUITY	336,868,744	305,920,495
TOTAL	\$551,807,005	\$502,662,024

THE BORDEN COMPANY and Consolidated Subsidiaries

CONSOLIDATED INCOME AND EARNED SURPLUS

	Year Ended December 31	
	1963	1962
NET SALES	\$1,118,875,262	\$1,047,902,188
OTHER INCOME	7,806,954	8,171,926
(Includes interest and dividends—1963, \$6,468,637; 1962, \$6,649,845)		
TOTAL	<u>1,126,682,216</u>	<u>1,056,074,114</u>
LESS		
Cost of goods sold	948,768,468	896,971,402
Selling, general and administrative expenses and other charges—net	108,647,854	94,375,659
Interest expense	3,558,089	3,262,341
Provision for U. S. and Canadian federal income taxes . .	30,614,552	29,110,197
TOTAL	<u>1,091,588,963</u>	<u>1,023,719,599</u>
NET INCOME for the year	35,093,253	32,354,515
EARNED SURPLUS at beginning of year	<u>187,835,367</u>	<u>173,478,988</u>
TOTAL	222,928,620	205,833,503
DIVIDENDS PAID	19,107,218	17,998,136
(1963, \$1.77½ a share; 1962, \$1.70 a share)		
EARNED SURPLUS at end of year	<u>\$ 203,821,402</u>	<u>\$ 187,835,367</u>
(Earnings retained for use in the business)		

See pages 15 and 16 for notes to financial statements.

NOTES TO FINANCIAL STATEMENTS

BASIS OF CONSOLIDATION, ETC.: The financial statements include all significant domestic subsidiaries and all Canadian operating subsidiaries. Net current assets of such Canadian subsidiaries were translated at the rate of exchange prevailing at year end; other assets and liabilities at rates as of dates of origin; and net income items (other than depreciation) at the rate of exchange prevailing at the end of each month. On page 17 appears financial information concerning foreign subsidiaries not consolidated and dividends received from them by the Company.

INVENTORIES: In valuing inventories, cost (reduced to market, if lower) was used. The inventories of certain products were valued on the last-in, first-out (Lifo) cost method, which valuations at Dec. 31, 1963 and Dec. 31, 1962 were less than the current costs of such products by approximately \$4,000,000 and \$5,400,000, respectively.

LONG-TERM DEBT: The Company shall pay into a sinking fund for its 2 $\frac{7}{8}$ % Debentures due 1981 a sum sufficient to redeem on March 1, 1965 and on each March 1 thereafter, to and including March 1, 1980, \$1,250,000 principal amount of these debentures, with the option to increase any payment by an amount not exceeding \$1,250,000. The sinking fund obligation due on March 1, 1964 was satisfied prior to Dec. 31, 1963 by delivery to and cancellation by the trustee of debentures of a principal amount of \$1,250,000. The Company also has purchased, and holds in its treasury, debentures of a principal amount of \$3,250,000, which are not shown as outstanding.

The Company shall pay into a sinking fund for its 4 $\frac{3}{8}$ % Debentures due 1991 a sum sufficient to redeem on Dec. 1, 1967 and on each Dec. 1 thereafter, to and including Dec. 1, 1990, \$2,000,000 principal amount of these debentures, with the option to increase any payment by an amount not exceeding \$2,000,000.

The 3 $\frac{1}{2}$ % Note due 1973 requires the payment of annual installments of \$50,000 on Nov. 15, 1964 (which installment is included in accounts payable) and on each succeeding Nov. 15, to and including Nov. 15, 1972.

CAPITAL SURPLUS: Capital surplus was credited during 1963 with \$3,970,506, the excess of the option price over the par value of 139,433 shares issued pursuant to options exercised and \$21,573,822, the excess of fair value over the par value of 405,266 shares reissued for businesses acquired; it was charged with \$12,937,114, the excess of cost over par value of 230,699 shares of capital stock acquired.

STOCK OPTION PLANS: As of the beginning of the year, 344,103 shares of capital stock of the Company were reserved for unexercised stock options and 74,600 shares were available for the granting of options in the future. During 1963, 139,433 shares were purchased; options for 2,806 shares were cancelled, of which 490 were made available for future options. Options were granted in 1963 for 26,250 shares at \$56.77 per share. At Dec. 31, 1963, there were 228,114 shares reserved for unexercised options and 48,840 shares were available for the granting of options. Shares purchased in 1963 and shares under option at year end had an aggregate purchase price of \$5,016,253 and \$9,496,195 respectively. Option prices ranged from \$26.62 to \$66.45 per share. Authority to grant options expires on Apr. 18, 1966.

DEPRECIATION AND RENTALS: Depreciation and amortization of property and equipment charged to operations amounted to \$19,947,622 for 1963. Rentals amounted to approximately \$14,400,000 for 1963, of which \$10,500,000 was related to long-term leases.

DEFERRED FEDERAL TAXES ON INCOME: The Company provides out of income amounts equal to 52% of the investment credit provided in the Revenue Act of 1962 and the reduction in federal income tax resulting from the use, for income tax reporting only, of accelerated methods of depreciation. The amounts so provided in 1963 and included in the reserve for deferred federal taxes on income aggregated \$6,635,240. This reserve was also increased during the year by the transfer of \$2,506,850 included in accrued taxes at December 31,

/ continued...

... notes continued

1962. The portion (48%) of the 1963 investment credit recorded as a net reduction of the provision for federal income taxes amounted to \$994,080.

EMPLOYEES RETIREMENT INCOME PLANS: The unfunded lump-sum cost of retirement income for past service under the Company's plans, which is borne by the Company, was estimated to be \$40,662,000 at Dec. 31, 1963. This amount includes an increase of approximately \$6,472,000 which resulted from amendments effective Oct. 1, 1963.

The charge to operations for 1963 (including \$637,000 for the amortization of past service cost) was \$3,222,000. The trust funds under the plans had assets, stated at cost, of approximately \$45,772,000 at Dec. 31, 1963, the aggregate market value being greater than such cost. Since these assets are held in irrevocable

trust for payment of retirement income, they are not included in the Company's consolidated balance sheet. The current annual rate of retirement income being paid under the Company's plans is approximately \$2,118,000.

Operations were also charged during the year with approximately \$3,565,000 consisting of payments to pension trusts on behalf of certain employees, covered by collective bargaining agreements, who have elected not to participate in the Company's plans, and retirement allowances paid to former employees under arrangements in effect prior to the inception of the present plans.

CONTINGENCIES: The Company was guarantor of loans aggregating approximately \$25,400,000 at Dec. 31, 1963. Included therein is \$12,250,000 representing the Company's portion of a guarantee of loans to Monochem Inc., which was organized in 1961 as a joint venture with United States Rubber Company.

HASKINS & SELLS

CERTIFIED PUBLIC ACCOUNTANTS

TWO BROADWAY, NEW YORK, N. Y. 10004

FEBRUARY 24, 1964

To the Stockholders and Board of Directors of The Borden Company:

We have examined the consolidated balance sheet of The Borden Company and Consolidated Subsidiaries as of December 31, 1963 and the related statement of consolidated income and earned surplus for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the accompanying consolidated balance sheet and statement of consolidated income and earned surplus present fairly the financial position of the companies at December 31, 1963 and the results of their operations for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Haskins & Sells

FOREIGN SUBSIDIARIES NOT CONSOLIDATED

December 31

COMBINED BALANCE SHEETS

	1963	1962
Current assets	\$39,415,347	\$31,976,957
Investments and other assets	5,143,059	4,954,328
Property and equipment	21,212,247	20,909,746
(Less accumulated provision for depreciation)		
Deferred charges	1,562,465	1,691,861
Intangibles	1,557,802	1,002,149
TOTAL ASSETS	68,890,920	60,535,041
Current liabilities	29,737,645	24,147,378
Long-term debt	2,259,160	504,197
Reserves	1,267,990	1,136,800
TOTAL LIABILITIES AND RESERVES	33,264,795	25,788,375
Net assets	35,626,125	34,746,666
Less minority interest	4,430,822	4,341,547
Company's equity in net assets	\$31,195,303	\$30,405,119

Year Ended December 31

COMBINED STATEMENTS OF INCOME

	1963	1962
Net sales	\$92,435,479	\$89,368,948
Other income	1,359,531	1,057,921
TOTAL	93,795,010	90,426,869
Less		
Cost of goods sold	70,235,082	67,397,573
Selling, general and administrative expenses and other charges — net	14,987,693	13,593,359
Interest expense	1,275,615	961,264
Provision for foreign taxes	2,084,188	2,172,806
TOTAL	88,582,578	84,125,002
Net income	5,212,432	6,301,867
Less minority interest	520,422	491,769
Company's equity in net income	\$ 4,692,010	\$ 5,810,098
<i>Dividends to the Company</i>	<i>\$ 3,901,826</i>	<i>\$ 3,700,160</i>
<i>Less U. S. income tax applicable thereto</i>	<i>1,425,949</i>	<i>933,935</i>
<i>Remainder included in Company's net income</i>	<i>\$ 2,475,877</i>	<i>\$ 2,766,225</i>

NOTE: These combined financial statements include the accounts of all majority-owned subsidiaries, including for 1963 an Australian company, which became wholly owned during the year. The various foreign currencies were translated generally into their U. S. dollar equivalent, in accordance with the procedure for Canadian subsidiaries referred to in the Notes to Financial

Statements on page 15. The Company's equity in net income for 1963 was reduced by \$462,237 for unrealized exchange losses resulting from the translation of net current assets at year-end exchange rates. In terms of currencies of those countries in which these subsidiaries are established their profit performance was essentially the same as for 1962.

THE BORDEN COMPANY and Consolidated Subsidiaries

TEN YEAR SUMMARY

OPERATING (thousands of dollars)

	Net Sales	Payrolls	Taxes (U.S. & Canadian Federal Income)	Depreciation and Amortization	Net Income	Per Sales Dollar	Per Share*	Cash Dividends	Per Share*
1963	\$1,118,875	\$201,640	\$30,614	\$19,948	\$35,093	3.14¢	\$3.24	\$19,107	\$1.77½
1962	\$1,047,902	\$193,460	\$29,110	\$17,846	\$32,354	3.09¢	\$3.05	\$17,998	\$1.70
1961	\$1,009,665	\$191,863	\$28,631	\$17,448	\$30,082	2.98¢	\$2.84	\$15,451	\$1.50
1960	\$ 990,971	\$190,833	\$26,324	\$15,494	\$28,720	2.90¢	\$2.75	\$14,857	\$1.50
1959	\$ 941,326	\$178,847	\$23,728	\$15,057	\$25,548	2.71¢	\$2.61	\$13,696	\$1.40
1958	\$ 915,024	\$178,811	\$21,632	\$15,393	\$24,612	2.69¢	\$2.53	\$13,614	\$1.40
1957	\$ 931,220	\$178,034	\$22,146	\$15,573	\$23,996	2.57¢	\$2.47	\$13,123	\$1.35
1956	\$ 876,987	\$164,966	\$20,951	\$15,130	\$23,602	2.69¢	\$2.41	\$13,216	\$1.35
1955	\$ 810,126	\$153,233	\$19,279	\$14,282	\$21,653	2.67¢	\$2.22	\$13,176	\$1.35
1954	\$ 776,838	\$145,063	\$23,428	\$13,761	\$22,724	2.93¢	\$2.32	\$12,439	\$1.27

FINANCIAL (thousands of dollars)

OTHER

	Working Capital	Current Ratio**	Inventories	Property and Equipment	Accumulated Depreciation	Net Property and Equipment	Long-Term Debt	Stockholders' Equity	Number of Stockholders	Number of Employees
1963	\$172,632	2.81:1	\$102,097	\$382,445	\$162,986	\$219,459	\$92,750	\$336,869	48,566	32,051
1962	\$165,068	2.97:1	\$ 93,373	\$367,284	\$158,626	\$208,657	\$94,800	\$305,920	48,919	30,994
1961	\$177,314	3.13:1	\$ 85,639	\$348,388	\$154,171	\$194,217	\$96,100	\$294,125	49,524	32,128
1960	\$132,815	2.67:1	\$ 80,959	\$329,634	\$148,407	\$181,227	\$47,150	\$276,096	48,954	33,154
1959	\$124,418	2.71:1	\$ 69,516	\$305,407	\$142,375	\$163,032	\$48,200	\$245,570	47,942	32,165
1958	\$124,255	2.67:1	\$ 67,011	\$292,358	\$139,211	\$153,146	\$50,250	\$231,904	48,358	33,718
1957	\$121,102	2.68:1	\$ 65,043	\$282,469	\$135,517	\$146,951	\$52,825	\$221,095	48,537	35,058
1956	\$118,232	2.67:1	\$ 62,167	\$266,579	\$127,647	\$138,932	\$52,625	\$212,629	48,488	34,160
1955	\$119,400	2.79:1	\$ 59,003	\$247,281	\$119,172	\$128,109	\$53,750	\$201,204	48,876	33,194
1954	\$119,436	2.80:1	\$ 53,501	\$233,937	\$111,285	\$122,651	\$55,000	\$194,021	49,430	32,498

*Adjusted for 10% stock dividend in 1954; 4% stock dividend in 1958; and 2 for 1 stock split in 1960.

**Ratio of current assets to current liabilities.

WELL KNOWN BRANDS OF BORDEN COMPANY DIVISIONS

MILK AND ICE CREAM COMPANY

BORDEN'S (dairy products)
CHARLOTTE FREEZE (mellorine frozen dessert)
ELSIE (ice cream novelties)
GAIL BORDEN SIGNATURE QUALITY
(multi-vitamin-mineral fortified milks)
GLACIER CLUB (ice cream)
GOLDEN CREST (extra-rich milk)
LADY BORDEN (premium quality ice cream)
LIFELINE (modified, fortified low fat milk)
SYLVAN SEAL (dairy products)

FOODS COMPANY

ANGELUS (marshmallows)
AUNT JANE'S (pickles & relishes)
BORDEN'S (dairy & food products)
BRANDYWINE (mushrooms)
BUFFALO (Swiss slices & Limburger)
CAMPFIRE (marshmallows)
CASTLE BRAND (Brick & blue cheese)
CHALLENGE (sweetened condensed milk)
CHATEAU (cheese products)
COLONIAL (mince meat)
COMSTOCK (canned apples, pie mixes, fruits & vegetables)
CRACKER JACK (caramelized popcorn)
DIME BRAND (sweetened condensed milk)
DRIMIX (ice cream mix powder)
DUTCH MAID (Gouda cheese)
EAGLE BRAND (sweetened condensed milk)
GREENWOOD'S (beets, cabbage, fruit in glass)
HEMO (mix for modified malted drink)
HOME BRAND (maraschino cherries & fruit drinks)
KITCHEN KLUB (pickles & relishes)
KLIM (whole milk powder)
KOLD KUP (prepared powdered soft drinks)
KROCK KURED (pickles & relishes)
LIEDERKRANZ (cheese)
MAGNOLIA BRAND (sweetened condensed milk)
MEADOW BRAND (malted milk)
MENNER'S (canned prepared foods)
MILITARY BRAND (Camembert cheese)
MILK BOY (Gruyere cheese)
NAPOLEON (Roquefort cheese)
NONE SUCH (mince meat)
OAKEN KEG (pickles & relishes)
OLD LONDON (melba toast & snack foods)
OLD TIME (mince meat)
PARLAC (whole milk powder)
PEARL (evaporated milk)
PURCO (maraschino cherries)
PURESUN (fruit juices)
REALEMON (fruit juices)
REALIME (lime juice)
REGENCY (fruit juices & beverages)
SILVER COW (evaporated milk)

SNOW'S (clam & other seafood products)
STANDARD (sweetened condensed milk)
STARLAC (instant nonfat dry milk)
THOMPSON'S (malted milk)
TOM THUMB (pickles & relishes)
TROPICAL (candied & glacé fruits & peels)
VERA-SHARP (cheese)
WYLER'S (dry soup & beverage mixes, dry vegetables & herbs)
ZEPHYR (quality beverages, prune juice & maraschino cherries)

SPECIAL PRODUCTS COMPANY

BETA LACTOSE (milk sugar for pre-lacteal infant formula)
BORDEN'S (calf milk replacer)
BOSPRO (dairy & cattle feed supplement)
BREMIL (powdered & liquid infant formula)
DERMABASE (ointment base)
DRYCO (infant food)
ESBILAC (simulated bitch's milk)
FERMACTO (animal feed supplement)
HOPRO (pig & hog feed supplement)
MARCELLE (hypo-allergenic cosmetics)
METHAKOTE (diaper rash creme)
METHAPHOR (all-purpose ointment)
METHASEPTIC (dermatological soak)
METHATAR (dermatological ointment)
MULL-SOY (powdered & liquid hypo-allergenic infant formula)
TYKOR (industrial cleaners, sanitizers, protective coatings
& specialty lubricants)
WHITSON'S (dry egg yolk-milk protein mixture, lactalbumin,
ice cream stabilizers, flavors, cheese powders,
caramel powders & milk sugars)

CHEMICAL COMPANY

ARABOL (adhesives, starches & gums)
CASCO (casein-based adhesives)
CASCO-RESIN (liquid urea-formaldehyde resins)
CASCOREZ (resin glues & adhesives)
CILCO (gravure, flexographic, letterpress & lithographic inks)
CLING (decorative plastic films with pressure-sensitive
adhesive backing)
DURITE (synthetic resins)
ELMER'S (products for home handymen)
LEMOL (polyvinyl alcohols)
MYSTIK (pressure sensitive tapes)
POLYCO (resin emulsions)
RESINITE (garden hose & sprinklers & resins for insulate wires,
cables & packaging films)
SATINESQUE (vinyl- & pyroxylin-coated fabrics)
SHELF-TEX (oil-cloth)
THOR (core binders)
WALL-TEX (wall covering)

DRAKE BAKERIES

DRAKE'S (cakes, coffee cakes & cookies)

Note: Some of the above brands are distributed by Borden's only in regional or local markets.

BOARD OF DIRECTORS

THEODORE G. MONTAGUE, *Chairman*
HARRY L. ARCHER, *Vice President*
President, Borden's Milk and Ice Cream Company
WALKER G. BUCKNER,
Partner in investment firm, Buckner & Co.
HAROLD W. COMFORT, *President*
CECIL I. CROUSE, *Vice President - Law*
FRANCIS R. ELLIOTT, *Executive Vice President*
J. ROY GORDON
President, The International Nickel Company of Canada, Ltd.
MORRIS HADLEY
Member of law firm, Milbank, Tweed, Hadley & McCloy

LESTER LE FEBER
Former President, Gridley Dairy Co.
MADISON H. LEWIS
Former Chairman, East District
AUGUSTINE R. MARUSI, *Vice President*
President, The Borden Chemical Company
EVERETT L. NOETZEL, *Vice President - Finance*
WILLIAM S. RENCHARD
President, Chemical Bank New York Trust Company
HOWARD C. SHEPERD
Former Chairman, First National City Bank
ROY D. WOOSTER, *Executive Vice President*

EXECUTIVE COMMITTEE: Mr. COMFORT, *Chairman*;
Messrs. ELLIOTT, GORDON, LEWIS, MONTAGUE,
SHEPERD and WOOSTER, *permanent members*.
Other Directors serve in rotation.

COMMITTEE ON AUDIT: Mr. LEWIS, *Chairman*;
Messrs. GORDON, HADLEY, RENCHARD and SHEPERD

FINANCE COMMITTEE: Mr. MONTAGUE, *Chairman*;
Messrs. COMFORT, HADLEY, LEWIS, NOETZEL,
RENCARD and SHEPERD

PENSION COMMITTEE: Mr. WOOSTER, *Chairman*;
Messrs. COMFORT, ELLIOTT, LEWIS, MONTAGUE and
ROBCLIFF V. JONES, *a former Director*

THE BORDEN COMPANY

OFFICERS

HAROLD W. COMFORT, *President*
FRANCIS R. ELLIOTT, *Executive Vice President*
ROY D. WOOSTER, *Executive Vice President*
HARRY L. ARCHER, *Vice President*
JAMES V. BASSETT, *Vice President*
THOMAS W. BIGGS, *Vice President*
CECIL I. CROUSE, *Vice President*
MILTON FAIRMAN, *Vice President*
RAYMOND J. KUNZ, *Vice President*
AUGUSTINE R. MARUSI, *Vice President*
THEODORE G. MONTAGUE, JR., *Vice President*

EVERETT L. NOETZEL, *Vice President*
DOUGLAS T. ORTON, *Secretary*
EDWIN S. PATIENCE, *Treasurer*
LOUIS CSENGE, *Assistant Vice President*
E. CLARK DAVIS, *Assistant Vice President*
HARRY N. WEBSTER, *General Controller*
ROBERT G. BELL, *General Auditor & Assistant Treasurer*
HARRY F. BREMER, *Assistant Treasurer*
RICHARD J. MCGOLDRICK, *Assistant Treasurer*
KENNETH J. NEAGLE, *Assistant Secretary*
FRANCES I. REILLY, *Assistant Secretary*

BOARD OF OFFICERS: Mr. COMFORT, *Chairman*; Messrs. ARCHER, BASSETT, BIGGS, CROUSE, CSENGE, ELLIOTT, FAIRMAN, KUNZ, MARUSI, MONTAGUE, JR., NOETZEL, ORTON, PATIENCE, WOOSTER, and JEAN J. CHAREST, *President, The Borden Company, Ltd.*, and JACK B. PENTZ, *Executive Vice President, Borden's Milk and Ice Cream Company*

CORPORATE DATA

EXECUTIVE OFFICES: 350 Madison Avenue, New York, N. Y. 10017
COUNSEL: Milbank, Tweed, Hadley & McCloy, 1 Chase Manhattan Plaza, New York, N. Y. 10005
CAPITAL STOCK DATA: Transfer Agent, The Chase Manhattan Bank, 1 Chase Manhattan Plaza, New York, N. Y. 10015; Dividend Disburser, The Borden Company, 350 Madison Avenue, New York, N. Y. 10017; stock listed on the New York Stock Exchange.



